



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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North Carolina Man Charged in Fraudulent U.S. Treasury Check Scheme

A Clayton, North Carolina, resident was arrested yesterday after being indicted on Dec. 2 by a federal grand jury sitting in Raleigh, North Carolina, on one count of conspiracy to commit theft of public money, 25 counts of theft of public money and two counts of aggravated identity theft, announced Acting Assistant Attorney General Caroline D. Ciraolo of the Justice Department's Tax Division and Acting U.S. Attorney John Stuart Bruce of the Eastern District of North Carolina.

Felipe Hurtado aka "Juan de Dios" is alleged to have conspired with check cashers during the years 2011 and 2012 to cash U.S. Treasury checks issued as a result of fraudulent tax returns filed in the names of third parties. According to the allegations in the indictment, Hurtado provided the check cashers with U.S. Treasury checks in the names of payees purportedly living in New York. These checks ranged in value from approximately \$5,000 to \$10,000. The indictment alleges that the check cashers deposited the U.S. Treasury checks into their business bank accounts and then provided Hurtado with cash equal to the value of the check minus a check cashing fee. The third party payees were not present when the checks were cashed. The indictment further alleges that Hurtado cashed U.S. Treasury checks in the names of individuals whose identities had been stolen.

If convicted, Hurtado faces a statutory maximum sentence of five years in prison for the conspiracy charge, 10 years in prison for each count of theft of public funds and a two year mandatory sentence for the counts of aggravated identity theft. He also faces substantial monetary penalties, supervised release and restitution.

Acting Assistant Attorney General Ciraolo and Acting U.S. Attorney Bruce commended special agents of Internal Revenue Service-Criminal Investigation, who investigated the case and Trial Attorneys Nathan Brooks and Lauren Castaldi of the Tax Division, who are prosecuting this case. Acting Assistant Attorney General Ciraolo also thanked the U.S. Attorney's Office of the Eastern District of North Carolina for their assistance.

An indictment merely alleges that crimes have been committed. The defendant is presumed innocent until proven guilty beyond a reasonable doubt.

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